

South Carolina Electric and Gas Company
Operating Experience, Rate Base and Rates of Return
Test Year Ended March 31, 2004
(\$000's)

Description	S. C. Retail									
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
	Per Filing Total Electric	Accounting and Pro Forma Adjustments	As Adjusted Total Electric	Per Filing Retail*	Accounting and Pro Forma Adjustments	As Adjusted Retail	Proposed Increase	After Proposed Increase		
	\$	\$	\$	\$	\$	\$	\$	\$		\$
<u>Operating Revenues</u>	1,515,375	30,099	(1) 1,545,474	1,450,375	28,281	(1) 1,478,656	81,192	(15) 1,559,848		
<u>Operating Expenses</u>										
Fuel Costs (O&M) Expenses	402,795	23,831	(2) 426,626	374,926	22,936	(2) 397,862	(10,922)	(16) 386,940		
Other O&M Expenses	400,580	9,523	(3) 410,103	383,340	8,819	(3) 392,159	0	392,159		
Depreciation and Amort.	173,315	39,649	(4) 212,964	166,320	37,347	(4) 203,667	0	203,667		
Taxes Other Than Income	112,376	11,341	(5) 123,717	108,036	10,886	(5) 118,922	443	(17) 119,365		
Income Taxes	101,209	(13,823)	(6) 87,386	100,246	(13,507)	(6) 86,739	35,064	(18) 121,803		
Interest on Customers' Deposits	1,303	(607)	(7) 696	1,303	(607)	(7) 696	0	696		
<u>Total Operating Expenses</u>	<u>1,191,578</u>	<u>69,914</u>	<u>1,261,492</u>	<u>1,134,171</u>	<u>65,874</u>	<u>1,200,045</u>	<u>24,585</u>	<u>1,224,630</u>		
<u>Net Operating Income</u>	<u>323,797</u>	<u>(39,815)</u>	<u>283,982</u>	<u>316,204</u>	<u>(37,593)</u>	<u>278,611</u>	<u>56,607</u>	<u>335,218</u>		
Customer Growth (Note 1)	3,424	381	A-2 3,805	3,424	309	A-2 3,733	759	(19) 4,492		
o <u>Net Operating Income For Return</u>	<u>327,221</u>	<u>(39,434)</u>	<u>287,787</u>	<u>319,628</u>	<u>(37,284)</u>	<u>282,344</u>	<u>57,366</u>	<u>339,710</u>		
<u>Rate Base</u>										
Gross Plant in Service	5,425,328	564,015	(8) 5,989,343	5,207,147	530,563	(8) 5,737,710	0	5,737,710		
Accumulated Depreciation	(1,846,528)	(21,094)	(9) (1,867,622)	(1,772,888)	(19,703)	(9) (1,792,591)	0	(1,792,591)		
<u>Net Plant in Service</u>	<u>3,578,800</u>	<u>542,921</u>	<u>4,121,721</u>	<u>3,434,259</u>	<u>510,860</u>	<u>3,945,119</u>	<u>0</u>	<u>3,945,119</u>		
Construction Work in Progress (CWIP)	900,653	(771,741)	(10) 128,912	849,669	(726,456)	(10) 123,213	0	123,213		
Materials and Supplies	125,178	13,257	(11) 138,435	117,947	12,333	(11) 130,280	0	130,280		
Total Working Capital (Note 2)	653	(9,760)	(12) (9,107)	(2,483)	(9,153)	(12) (11,636)	0	(11,636)		
Deferred Debits and Credits	(93,617)	(931)	(13) (94,548)	(90,722)	(894)	(13) (91,616)	0	(91,616)		
Accumulated Deferred Income Taxes	(496,781)	0	(14) (496,781)	(477,215)	101	(14) (477,114)	0	(477,114)		
<u>Total Rate Base</u>	<u>4,014,886</u>	<u>(226,254)</u>	<u>3,788,632</u>	<u>3,831,455</u>	<u>(213,209)</u>	<u>3,618,246</u>	<u>0</u>	<u>3,618,246</u>		
<u>Return on Rate Base</u>	<u>8.15%</u>		<u>7.60%</u>	<u>8.34%</u>		<u>7.80%</u>		<u>9.39%</u>		

Note 1: See Audit Exhibit A-2

Note 2: See Audit Exhibit A-3

* Per Filing as Contained in the Company's Cost of Service Study